EXHIBIT AA

AAN Association of Alternative Newsweeklies



Save the date! @ @ @ @ Web Conference
San Francisco, January 28 & 29

- .
- o Facebook
- o <u>Twitter</u>
- o RSS Feed
- Sign up for Our Newsletter
 - o <u>Log in</u>
 - 0 |
 - o Request an Account
 - 0
 - o Add a Story
- Home
- About
- AAN News
- AltWeeklies Wire
- <u>Directories</u>
- Awards
- Conferences
- Resources
- Advertising

Browse About

Browse AAN News

Browse AltWeeklies Wire

Browse Directories

Browse Awards

Browse Conferences

Browse Resources

Browse Advertising

<u>AAN News</u> » <u>Industry News</u> « <u>Previous Article</u> Next Article »

TPI Sues Competing Personals Ad Business, Alleging Patent Infringement

By Ruth Hammond september 29, 2004 11:21 am

The company that has long been a dominant force in the newspaper personal ads business is suing its former president for patent infringement. The ex-president, Andrew B. Sutcliffe, launched a competing personals business, known as SelectAlternatives, last year.

On Sept. 22, Tele-Publishing Inc. filed suit in U.S. District Court in Arizona against Sutcliffe and his Tucson-based company, Sutcliffe Associates. Also named in the suit are five publishing companies that own papers that use SelectAlternatives. The papers are the Chicago Reader, Washington City Paper, The Stranger, Illinois Times and City Newspaper. All of them belong to the Association of Alternative Newsweeklies.

At issue are four processes invented by Sutcliffe and software developers at TPI while Sutcliffe was president of that company. According to patents filed with the U.S. Patent Office, the processes are designed to match users by comparing certain criteria, to provide personals over a public network by integrating data from various ad-taking systems into a single database, and to track users' personal contacts to create personal journals. TPI is the owner of the four patents.

TPI President David Dinnage explained in an e-mail: "The patents relate to a range of technologies that make personals advertising more valuable to publishers and their end users, including the integration of matching, voice and email technologies as well as the ability to aggregate, or keep separate, personal advertisements from different sources, such as individual publications."

The suit claims that Sutcliffe, his company and the five newspaper companies have been infringing, inducing others to infringe and/or contributing to the infringement of the four patents. It says the alleged infringement has caused TPI irreparable damage, and the company will continue to suffer irreparable injury unless the defendants are enjoined from infringing the patents. The company seeks damages and attorney's fees.

Dinnage says he and Sutcliffe co-founded the Boston-based TPI in 1989. Sutcliffe served as the relationship services company's president until he left in 1998 and was replaced by Dinnage.

On Tuesday, Sutcliffe read a statement to AAN News that he was preparing in response to the suit. "The lawsuit is totally without merit," he said. For example, "we do not do two-way matching and we have no personal journal entry system," he said. Nevertheless, he complained, the suit has brought his ability to sign up other papers for SelectAlternatives "to a standstill."

In response to an e-mail inquiry, publishers of the newspapers named as co-defendants gave no comment, said it was too early to comment or did not respond. In his statement, Sutcliffe said he was "especially heartened that so many in the AAN community have come to my defense" and vowed to "vigorously defend against this unwarranted lawsuit."

TPI and SelectAlternatives are both associate members of AAN, and their representatives attend AAN conferences and its annual convention to make connections with papers that might use their services.

TPI counts 60 to 70 AAN papers among its many newspaper clients, Dinnage says. Date-seekers who use its services take out print ads that run in the individual papers. Readers who want to respond to the ads can call a designated number, punch in the code of a prospective partner, listen to that person's voice greeting and leave a call-back message. For this, they pay a per-minute rate. At the Boston Phoenix, TPI's original client paper, the rate is \$2.19 a minute.

TPI has also rolled out an add-on service, which allows singles to receive flirtatious text messages via their cell phones. The personals company is owned by the Phoenix Media/Communications Group, which publishes the Boston Phoenix.

In the late 1990s, many personals users migrated from voice-based matchmaking services to Internet-based services, and the personals revenue that helped to make that decade so lucrative for the alternative newsweekly business began to shrink. To compete, TPI began offering its own online component. In 2003, TPI announced a decision to partner with Match.com, the popular subscription-based online dating service, to provide the online component for its personals.

Dinnage said in a phone interview that the outsourcing experiment with Match.com will end Thursday, when TPI will roll out its own new online service. The goal is to provide a "customized, hyperlocalized" service to each client paper.

SelectAlternatives has promoted itself as "the next-generation product for alternative newsweeklies." It abandons the expensive pay-perminute voice-message model of matchmaking yet still promises profits for client papers. "Remember when your personals made lots of money? Those days are coming back...," SelectAlternative's sales brochure announces.

In an interview with AAN News last winter, Sutcliffe said the "gluttony" of voice personal services were a factor in their decline; the typical four-and-a-half minute call runs a user \$9, he pointed out. He also criticized TPI's online service at the time, Match.com, as being "sort of the Wal-Mart of dating." To distinguish itself, SelectAlternatives marketed itself as being "a truly 'local' service."

"Part of the elixir of alternative newsweeklies is a sense of community," Sutcliffe said back then. He expected SelectAlternatives to tap that sense of community to allow singles with similar psychographics or, in non-marketing terms, kindred spirits, to find each other. When users of SelectAlternatives build their profiles, they have the option of responding to questions tailored to each publication and its local market. Advertisers in Seattle's The Stranger, for instance, disclose whether they prefer the monorail or light rail, while advertisers in Washington City Paper indicate whether they're more often on the Metro's Red Line or Orange Line. Date-seekers can also reveal their favorite local haunts and what feature they read first in their respective alt-weeklies.

To contact members, either by phone or e-mail, SelectAlternative clients can buy passes for varying time periods, or they can buy stamps that allow them to send e-mails. At client paper The Stranger, the cost ranges from \$4.99 for a one-day pass to \$39.98 for 90 days.

Dinnage says Sutcliffe has some good ideas for matching singles that are worthy of imitation. "The entire [matchmaking] industry has been based on people stealing ideas from others," he says.

But, he adds, "patents are a whole different ballgame." Applying for a patent is an extremely rigorous process, one that Dinnage says cost TPI hundreds of thousands of dollars. "If you violate our intellectual property rights, we're not going to sit there....I'm running a business, and I've got to take a stand."

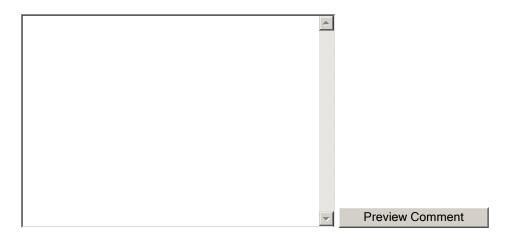
Click here to read TPI's official statement about the suit.

<u>Click here</u> to read Sutcliffe's statement in response.

Tags: Classified Advertising, Management, Sutcliffe Associates, LLC, Tele-Publishing International, Andy Sutcliffe



Your Comment



Recently in Industry News



Philadelphia City Paper Editor Announces Departurenew

Philadelphia City Paper | 12-17-2010 02:25 pm | <u>Industry News</u> Tags: <u>Editorial</u>, <u>Management</u>, <u>Philadelphia City Paper</u>, <u>Brian Howard</u>



Editor of East Bay Express Departs

East Bay Express | 12-16-2010 05:56 pm | Industry News

Tags: Editorial, Management, East Bay Express, Stephen Buel, Kathleen Richards, Robert Gammon, Jay Youngdahl



Editorial Change At Seattle Weeklynew

Village Voice Media | 12-16-2010 02:37 pm | Industry News

Tags: Editorial, Management, Seattle Weekly, Mike Seely, Mark D. Fefer



Creative Loafing Sarasota Sold, Will Print Final Issuenew

Tampabay.com | 12-15-2010 11:22 am | <u>Industry News</u>

Tags: Editorial, Electronic Publishing, Financial, Management, Marketing, Creative Loafing (Sarasota), CL, Inc.



Monday Magazine Loses Editor

Monday Magazine | 12-07-2010 06:05 pm | <u>Industry News</u> Tags: <u>Editorial</u>, <u>Management</u>, <u>Monday Magazine</u>, <u>John Threlfall</u> More <u>Industry News</u> »

More on Sutcliffe Associates, LLC

Four More AAN Papers Join SelectAlternatives

Sutcliffe Associates Press Release | 11-18-2009 11:09 am | Press Releases
Tags: Classified Advertising, Electronic Publishing, Management, Sutcliffe Associates, LLC

Seven More AAN Papers Join SelectAlternatives

Sutcliffe Associates Press Release | 5-04-2009 09:58 am | <u>Press Releases</u>
Tags: <u>Classified Advertising</u>, <u>Electronic Publishing</u>, <u>Management</u>, <u>Sutcliffe Associates</u>, <u>LLC</u>
<u>More AAN News about Sutcliffe Associates</u>, <u>LLC</u> » <u>Sutcliffe Associates</u>, <u>LLC Directory Page</u> »

More on Tele-Publishing International



Settlement Reached in Personals Lawsuitnew

Press Release | 11-10-2005 09:24 am | Industry News

Tags: Classified Advertising, Tele-Publishing International, Sutcliffe Associates, LLC, Andy Sutcliffe, David Dinnage

Out-of-Court Settlement Reached in Personals Lawsuit

11-09-2005 04:56 pm | Press Releases

Tags: Classified Advertising, Tele-Publishing International, Sutcliffe Associates, LLC, Andy Sutcliffe, David Dinnage More AAN News about Tele-Publishing International » Tele-Publishing International Directory Page »

More on Andy Sutcliffe

Out-of-Court Settlement Reached in Personals Lawsuit

11-09-2005 04:56 pm | Press Releases

Tags: Classified Advertising, Tele-Publishing International, Sutcliffe Associates, LLC, Andy Sutcliffe, David Dinnage

Andy Sutcliffe's Response to Patent Lawsuit

9-29-2004 11:10 am | Press Releases

Tags: <u>Classified Advertising</u>, <u>Management</u>, <u>Sutcliffe Associates</u>, <u>LLC</u>, <u>Tele-Publishing International</u>, <u>Andy Sutcliffe More AAN News about Andy Sutcliffe » Andy Sutcliffe Directory Page »</u>

AAN on Twitter

• Arkansas Times Launches Cocktail Compass Happy Hour iPhone App http://bit.ly/gjI5oR

12:15 AM Dec 17th

• Philadelphia City Paper's Editor Is Leaving http://bit.ly/e4XHiR

11:29 AM Dec 17th

• On The Death Of Liner Notes http://bit.ly/f4gBtI

6:57 AM Dec 17th

More @AltWeeklies » Twitter Directory »



Most Viewed Most Emailed

Everybody's News Closes Shop

AAN Staff | Industry News

David Carr to Leave City Paper For Web Startup

Amanda Fazzone | Industry News

Editor of East Bay Express Departs

East Bay Express | Industry News





- Privacy Policy
- •
- Contact Us
- _____
- Widgets
- |
- <u>RSS</u>

Copyright © 2010, <u>Association of Alternative Newsweeklies</u> | <u>Powered by Gyrobase</u>